



<b>Publication</b>	The Edge	<b>Section / Page</b>	online	<b>Date</b>	26/8/2021
<b>Headline</b>	Syarikat Takaful 2Q Profit Drops 19% Q-O-Q; Increases Y-O-Y				

KUALA LUMPUR (Aug 25): Syarikat Takaful Malaysia Keluarga Bhd posted a net profit of RM81.54 million for the second quarter ended June 30, 2021 (2QFY21), a 19.4% drop from RM101.14 million in the preceding quarter mainly attributable to lower net wakalah fee income.

Earnings per share fell to 9.76 compared with 12.18 sen in 1QFY21, the company said in a bourse filing.

Quarterly revenue shrank 23.4% to RM701.21 million from RM915.49 million on lower sales generated from both family and general takaful businesses.

The company's family takaful business recorded gross earned contributions of RM444.1 million, lower than the RM480.8 million in the immediate preceding quarter. The decrease was due to lower sales from credit-related and group medical products.

Meanwhile, the general takaful business generated gross earned lower contributions of RM197.2 million as a result of fewer sales from fire, engineering and commercial class.

The company did not declare any dividend for the quarter under review.

On a yearly basis, net profit increased 8.6% from RM75.09 million as revenue climbed almost 36% from RM515.73 million a year earlier on higher sales from family takaful and general takaful businesses.

For the six-month period ended June 30, net profit was up by 3.4% to RM182.68 million from RM176.67 million in the previous year. Cumulative six-month revenue grew 13.15% to RM1.62 billion from RM1.43 billion.

As a forerunner and early embrace of online distribution as well as new digital technologies in supporting its distribution channels, Syarikat Takaful said it is able to minimise some sales and operational challenges faced during the Covid-19 pandemic period.

"Our digital and technology capabilities have enabled us to maintain uninterrupted business services to all our sales intermediaries, bank partners, and customers. Particularly, we have a wide range of online takaful products and customers can easily access our affordable online insurance solutions especially during the Covid-19 outbreak.

"We have increased our presence in social media to cross sell our online products especially targeting the customers who may not have access to intermediaries for face-to-face selling," it said.

To sustain its market leading position and to support business growth and customer centricity, Syarikat Takaful said it will strive to roll out more innovative strategies via the implementation of digitalization strategy, online solutions and digital ecosystem, expansion of its distribution capabilities, strategic partnerships with leading Islamic banks and brand awareness initiatives.

Syarikat Takaful's share price went up 22 sen or 5.12% to RM4.52, giving it a market capitalisation of RM3.78 billion.